TRENDS

A3275-3

ASSOCIATION
OF AMERICAN
RAILROADS

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FOR IMMEDIATE RELEASE

WASHINGTON, April 9, 1992 -- Both orders and deliveries of new freight cars dropped during 1991, the Association of American Railroads (AAR) and the American Railway Car Institute reported today.

Dr. Harvey A. Levine, vice president of economics and finance at the AAR, attributed the declines to the economic recession.

"With freight traffic down, railroads found themselves with equipment surpluses for most of the year," Dr. Levine said. "As a result, there wasn't a need for railroads to buy as much equipment as they did in 1990. However, if present indications that the recession is ending prove correct, equipment orders should begin to rise as the year goes along."

Deliveries of new freight cars fell 24 percent during the year, from 32,063 in 1990 to 24,674 in 1991. Orders for new cars declined 16.6 percent, from 27,197 in 1990 to 22,682 in 1991. New locomotive deliveries dropped 29.9 percent, from 675 to 473.

While new equipment orders and deliveries were declining, orders and deliveries of rebuilt equipment were rising. Deliveries of rebuilt freight cars rose 30.3 percent and orders advanced 64.2 percent.

"This indicates that railroad equipment buyers were attempting to find the best value for their scarce capital dollars," Dr. Levine said.

During the fourth quarter alone, deliveries of new freight cars dropped 21.2 percent and orders fell 4.1 percent. Locomotive deliveries were down 60.4 percent.

(more)

FREIGHT CARS AND LOCOMOTIVES ORDERED AND DELIVERED

AND BACKLOG OF ORDERS

ALL RAILROADS AND PRIVATE CAR LINES

DELIVERED

	Oct. - Nov. - Dec.		July - Aug. - Sept.	12 Months	
	1991	1990	1991	1991	1990
Built New by Car Builders	5,943	7,541	6,331	24,674	32,063
Built New in R.R. Shops	0	0	0	0	0
Built New - Total	5,943	7,541	6,331	24,674	32,063
Rebuilt	420	1,083	1,780	7,437	5,706
Locomotives	112	283	99	473	675

ORDERED

Built New by Car Builders	6,383	6,655	5,300	22,682	27,197
Built New in R.R. Shops	0	0	0	0	0
Built New - Total	6,383	6,655	5,300	22,682	27,197
Rebuilt	1,455	1,082	808	10,188	6,205

ON ORDER AND UNDELIVERED

	Jan. 1		Oct.1
	1992	1991	1991
Built New by Car Builders	9,215	11,328	8,775
Built New in R.R. Shops	0	0	0
Built New - Total	9,215	11,328	8,775
Rebuilt	1,164	0	1,148
Locomotives	31	141	88

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